## Action Plan 2010-2011 Substantial Amendment



## **Executive Summary**

The purpose of the Annual Action Plan is to update the 5-Year Consolidated Plan and to provide the City with a basis for assessment through the Consolidated Annual Performance and Evaluation Report (CAPER). This is a Substantial Amendment to the City of Tempe's 2010/2011 Annual Action Plan and describes the activities it will undertake utilizing 2010/2011 Community Development Block Grant and HOME funds.

The City of Tempe is an entitlement City that annually receives a direct allocation of CDBG funds, which is used to support a variety of programs and activities, including housing services, housing development, economic development, design and construction oversight of parks and playground renovations. A majority of the City's CDBG funds are used for housing development activities and services, such as acquisition of real property or rehabilitation of affordable housing units by non-profit housing development agencies in Tempe. In addition to leveraging funds for housing development, CDBG funds support a variety of housing services and activities, including case management, homebuyer education, homelessness prevention and other services for the homeless. The City's appropriation of CDBG funds among its programs reflects its strong commitment to providing decent and affordable housing, good community services, and a healthy economic base. In FY 2010, Tempe received \$1,750,323 in CDBG funds for FY2010.

The City of Tempe is a participating jurisdiction that receives HOME entitlement funds through the Maricopa County HOME Consortium. Maricopa County serves as the lead agency for the HOME program administration for the Consortium member Cities of Avondale, Chandler, Glendale, Peoria, Scottsdale, Surprise, Tempe, the Town of Gilbert, and Maricopa County. The funds assist the City in carrying out the City's housing strategies. These housing strategies include providing loans to support the acquisition, new construction, and rehabilitation of affordable rental and homeownership housing units for low and moderate-income households. These funds have also leveraged other public and private funds to help make new projects feasible. Tempe received \$502,093 in HOME funds for FY2010.

On May 6, 2010, the Tempe City Council approved the adoption of a resolution to approve the Community Development Block Grant (CDBG) and HOME Program Action Plan for Fiscal Year 2010/2011.

The City of Tempe hereby proposes to substantially amend the approved Community Development Block Grant (CDBG) and HOME Program Action Plan for Fiscal Year 2010/2011 and reallocate funding as follows:

FY 2010-2011 Approved Activities					
Activity	CDBG	HOME	HOME Match	Program Income	Section 8
Housing Rehabilitation:					
<ol> <li>Owner Occupied</li> </ol>		\$0		\$25,000	
		(-\$238,494)*			
2. Emergency Owner	\$250,000				
Occupied					
Affordable Housing:					
1. Site Acquisition	\$277,711				
2. 1 <sup>st</sup> Time Homebuyer	\$225,000	\$238,495		\$25,000	
3. Acquisition/Rehab/Resale		(+\$238,494)*			
Public Services:					
Total Public Services (15%)	262,548				
Redevelopment:					
<ol> <li>Redevelopment</li> </ol>	\$185,000				
2. Demolition	\$50,000				
3. Relocation	\$50,000				
Ecomonic Development:					
Technical Assistance to	(-\$75,000)*				
Small Business					
2. Commercial Façade	(+\$100,000)*				
Program					
Administration	\$350,064	\$25,104			
Contingency	\$0				
	(-\$27,711)*				
Section 8 Rental Assist.					\$8,660,008
Section FSS Grants					\$68,000
TOTALS (non inclusive of	\$1,750,323	\$502,093	\$125,524	\$50,000	\$8,728,008
available carryover funds):					

<sup>\*</sup>Indicates either a new funded activity or change in the funded amount of a previously approved activity.

## <u>Proposed HOME funded Acquisition and Rehabilitation Homeowner/Rental</u> Activity

The City of Tempe proposes utilizing \$238,494 in HOME funds to assist in creating a minimum of four (4) affordable single family units for low and moderate-income eligible households.

The City intends to issue a Notice of Funding Availability (NOFA) for the reallocated HOME funds with the intent to solicit proposals from local non-profit developers for the development of additional long-term, affordable housing.

## Proposed CDBG funded Commercial Rehabilitation Activity

The City of Tempe proposes reallocating \$100,000 in Community Development Block Grant (CDBG) funds for the purpose of funding the implementation of a Storefront

Improvement Program for commercial businesses located within the Apache Boulevard Redevelopment Area or otherwise located within the City's CDBG eligible census tracks.

In an effort to further its neighborhood revitalization goals, the City of Tempe created the Storefront Improvement Program to assist property owners with financial incentives in the rehabilitation of their commercial properties. These incentives will include direct financing, development fee abatements, and architectural services. Implementation of this program is a component of the City's long-term revitalization efforts, as described in the Apache Blvd. Specific Area Redevelopment Plan and other similar goals and objectives.

